

AMENDED IN SENATE JUNE 6, 2016
AMENDED IN ASSEMBLY MARCH 18, 2016
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2050

Introduced by Assembly Member Steinorth

February 17, 2016

An act to add Section 1367.248 to the Health and Safety Code, and to add Section 10123.208 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 2050, as amended, Steinorth. Health care coverage: prescription drugs: refills.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law imposes various requirements on contracts and policies that cover prescription drug benefits. Existing law, the Pharmacy Law, provides for the licensure and regulation of pharmacists by the California State Board of Pharmacy and prohibits the refilling of a prescription without the authorization of the prescriber, except as specified.

This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2017, that provides coverage for prescription drug benefits to implement a medication synchronization ~~policy~~ *program* for the dispensing of prescription drugs *by a single retail network pharmacy* so that

prescriptions that are refilled at the same frequency may be filled ~~concurrently~~. *concurrently for the purpose of improving medication adherence or if it is in the best interest of the enrollee or insured, as specified.* Because a willful violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1367.248 is added to the Health and
- 2 Safety Code, to read:
- 3 1367.248. (a) A health care service plan contract issued,
- 4 amended, or renewed on or after January 1, 2017, that provides
- 5 coverage for prescription drug benefits shall implement a
- 6 synchronization ~~policy program~~ for the dispensing of prescription
- 7 drugs to the plan's enrollees.
- 8 ~~(b) For purposes of this section, "synchronization policy" means~~
- 9 ~~a procedure for aligning the refill dates of an enrollee's prescription~~
- 10 ~~drugs so that prescriptions that are refilled at the same frequency~~
- 11 ~~may be refilled concurrently.~~
- 12 (b) *In implementing the synchronization program pursuant to*
- 13 *this section, all of the following shall apply:*
- 14 (1) *The plan shall not deny coverage for a prescription drug*
- 15 *covered by the health care service plan contract that is dispensed*
- 16 *by a network pharmacy for less than the standard refill amount*
- 17 *for the purpose of improving medication adherence or if the*
- 18 *enrollee agrees that synchronizing his or her medications is in his*
- 19 *or her best interest.*
- 20 (2) *The plan shall accept early refill and short-fill requests for*
- 21 *prescription drugs using the submission clarification and message*
- 22 *codes adopted by the National Council for Prescription Drug*
- 23 *Programs or alternative codes provided by the plan.*

1 (3) The plan may apply a prorated daily cost-sharing rate for
2 maintenance prescription drugs that are dispensed by a network
3 pharmacy for the purpose of synchronizing the enrollee's
4 medications.

5 (4) The plan may impose a limit on the number of
6 synchronization attempts in a contract year. The limit may be
7 established by the plan in an amount of not less than four attempts
8 per year.

9 (c) For purposes of this section, "synchronization program"
10 means a procedure for aligning the refill dates of an enrollee's
11 prescription drugs that are being dispensed by a single retail
12 network pharmacy so that prescriptions that are refilled at the
13 same frequency may be refilled concurrently for the purpose of
14 improving medication adherence or if it is in the best interest of
15 the enrollee.

16 (d) This section does not apply to any of the following:

17 (1) A prescription drug that is in unit-of-use packaging for which
18 synchronization is not possible.

19 (2) A prescription drug that is subject to quantity limits or other
20 utilization management controls that are inconsistent with the
21 synchronization program, including, but not limited to, controlled
22 substance prescribing and special dispensing requirements or
23 guidelines intended to prevent misuse or abuse.

24 (3) A prescription drug that the patient has been taking for less
25 than 90 consecutive calendar days.

26 (e) The coverage required by this section may be limited by
27 formulary restrictions applied to a prescription drug by a health
28 care service plan.

29 SEC. 2. Section 10123.208 is added to the Insurance Code, to
30 read:

31 10123.208. (a) A health insurance policy issued, amended, or
32 renewed on or after January 1, 2017, that provides coverage for
33 prescription drug benefits shall implement a synchronization policy
34 program for the dispensing of prescription drugs to the policy's
35 insured insureds.

36 (b) ~~For purposes of this section, "synchronization policy" means~~
37 ~~a procedure for aligning the refill dates of an insured's prescription~~
38 ~~drugs so that prescriptions that are refilled at the same frequency~~
39 ~~may be refilled concurrently.~~

1 ***(b) In implementing the synchronization program pursuant to***
2 ***this section, all of the following shall apply:***

3 ***(1) The insurer shall not deny coverage for a prescription drug***
4 ***covered by the health insurance policy that is dispensed by a***
5 ***network pharmacy for less than the standard refill amount for the***
6 ***purpose of improving medication adherence or if the insured***
7 ***agrees that synchronizing his or her medications is in his or her***
8 ***best interest.***

9 ***(2) The insurer shall accept early refill and short-fill requests***
10 ***for prescription drugs using the submission clarification and***
11 ***message codes adopted by the National Council for Prescription***
12 ***Drug Programs or alternative codes provided by the insurer.***

13 ***(3) The insurer may apply a prorated daily cost-sharing rate***
14 ***for maintenance prescription drugs that are dispensed by a network***
15 ***pharmacy for the purpose of synchronizing the insured's***
16 ***medications.***

17 ***(4) The insurer may impose a limit on the number of***
18 ***synchronization attempts in a contract year. The limit may be***
19 ***established by the insurer in an amount of not less than four***
20 ***attempts per year.***

21 ***(c) For purposes of this section, "synchronization program"***
22 ***means a procedure for aligning the refill dates of an insured's***
23 ***prescription drugs that are being dispensed by a single retail***
24 ***network pharmacy so that prescriptions that are refilled at the***
25 ***same frequency may be refilled concurrently for the purpose of***
26 ***improving medication adherence or if it is in the best interest of***
27 ***the insured.***

28 ***(d) This section does not apply to any of the following:***

29 ***(1) A prescription drug that is in unit-of-use packaging for which***
30 ***synchronization is not possible.***

31 ***(2) A prescription drug that is subject to quantity limits or other***
32 ***utilization management controls that are inconsistent with the***
33 ***synchronization program, including, but not limited to, controlled***
34 ***substance prescribing and special dispensing requirements or***
35 ***guidelines intended to prevent misuse or abuse.***

36 ***(3) A prescription drug that the patient has been taking for less***
37 ***than 90 consecutive calendar days.***

38 ***(e) The coverage required by this section may be limited by***
39 ***formulary restrictions applied to a prescription drug by a health***
40 ***insurer.***

1 SEC. 3. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 the only costs that may be incurred by a local agency or school
4 district will be incurred because this act creates a new crime or
5 infraction, eliminates a crime or infraction, or changes the penalty
6 for a crime or infraction, within the meaning of Section 17556 of
7 the Government Code, or changes the definition of a crime within
8 the meaning of Section 6 of Article XIII B of the California
9 Constitution.

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